HOUSING MARKET INFORMATION

HOUSING NOW
Charlottetown CMA

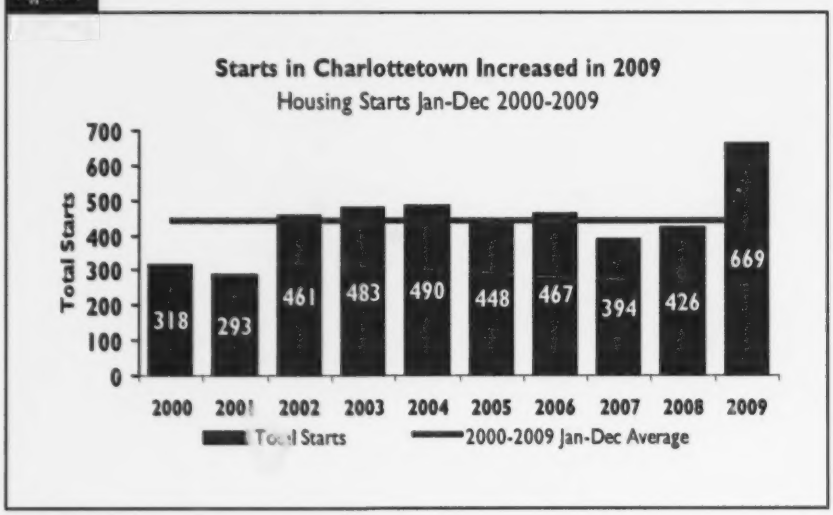
CANADA MORTGAGE AND HOUSING CORPORATION

Date Released: First Quarter 2010

Apartment Construction Boosts Housing Starts in Charlottetown City

The Prince Edward Island economy continued to perform relatively well throughout 2009. This was especially evident in the housing sector. Strong in-migration to the province has provided a boost to many aspects of the economy. The primary relocation area for this influx of people has been the capital region, and the housing sector is a key beneficiary of population growth. Some of the growth can be attributed to migrants returning from western Canada. Employment opportunities, however, were insufficient to meet the increase in the labour force as the province recorded the first slight decline in employment levels in over a decade.

Figure 1



Source: CMHC

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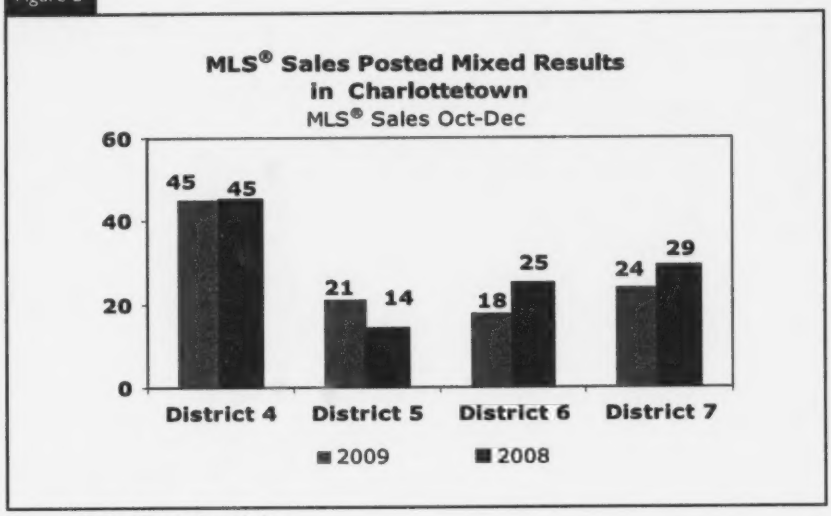
Prince Edward Island was the only province in the country to record an increase in total housing starts for 2009, with a rise of 23 per cent. Although all provinces had declines in single detached unit construction, all other provinces also reported declines in multiple unit construction. New apartment activity continued to be the story on Prince Edward Island (primarily in the Charlottetown market) as the fourth quarter produced 167 new multiple unit starts compared to 68 units in the fourth quarter of 2008.

New home construction started the year slowly in the Charlottetown area, but made up for it in the final three quarters of 2009. Like the majority of the country, there was a decline in single detached starts, but not a significant drop. The total for the year was 268 new units compared to 280 in 2008. A very different story developed for multiple unit construction as there were 401 units started in 2009 compared to 146 in the previous year. The last time that multiple unit construction was higher than single-detached in the Charlottetown area was during the 1989-1990 period. Although the increased levels of in-migration may account for some of the boost in multiple unit construction, the favorable borrowing environment was also an important factor. A jump of this magnitude is not completely on account of improving demand as supply side factors are providing a boost as well.

In the fourth quarter, single starts in the Charlottetown area were up to 79 units from 69 during the same period the previous year. By far the greatest increase came from apartment starts which reached 121 units compared to 30 in the fourth quarter of 2008. Semi-detached construction was up

Figure 2



Source: PEI Real Estate Association
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to 16 units compared to six units and row housing units were also up, recording 18 units compared to eight in the last quarter of 2008. The only reported decline for the fourth quarter was in the category of rental construction other than apartments, where there were no new units started compared to 20 units in the final quarter of 2008. In total, the fourth quarter of 2009 recorded 234 starts in the Charlottetown area, up 76 percent from 133 the previous year.

The vast majority of increased construction in the fourth quarter took place in the Charlottetown City submarket, and again, multiple unit starts were mostly responsible. Apartment construction jumped to 95 units from zero the year before, while row housing reported a similar change to 18 units, up from no starts during the same time period a year ago. Single detached starts declined in this submarket to 17 from 25 the year before. In total there were 140 new units started in Charlottetown City compared to 47 in the last quarter of 2008.

The other submarkets had better results in single-detached construction for the final quarter. The Town of Stratford remained stable with 12 new starts; Cornwall experienced an increase to 13 units compared to ten; the remainder of the CA reported 37 new single-detached starts compared to 22 units. Outside of Charlottetown City, only the Town of Stratford recorded any rental unit construction in the fourth quarter. There were 26 units started compared to 30 units the year before. For total starts, both the Town of Stratford and Cornwall were down compared to the fourth quarter of 2008. However, the strength of single-detached construction brought an increase to the remainder of the CA, recording a total of 41 units, up from 22 units.

New Home Prices Continue to Rise Significantly

New home prices rose sharply in the Charlottetown area in 2009. The trend toward larger, more expensive homes continues. The average new home

price increased from 2008 levels by 17 per cent to $242,674. The Town of Cornwall saw the largest percentage increase in 2009 with a 30 per cent jump to $266,406, followed by the Town of Stratford reporting a 26 per cent hike to $288,274. Stratford remains the most expensive submarket in the CA.

On a quarterly basis, Charlottetown City had the greatest advance in average new home prices, increasing by 26 per cent to $254,766. Stratford had the next highest increase (along with the overall highest average price) with a 23 per cent rise to $277,839. The average new home price in Cornwall during the last quarter of 2009 was $229,000, representing a 17 per cent increase. The least expensive submarket continued to be the remaining area in the CA with a relatively stable increase of five per cent to $212,583. The new home price for the total Charlottetown CA during the final quarter of 2009 was $244,329, an increase of 18 per cent.

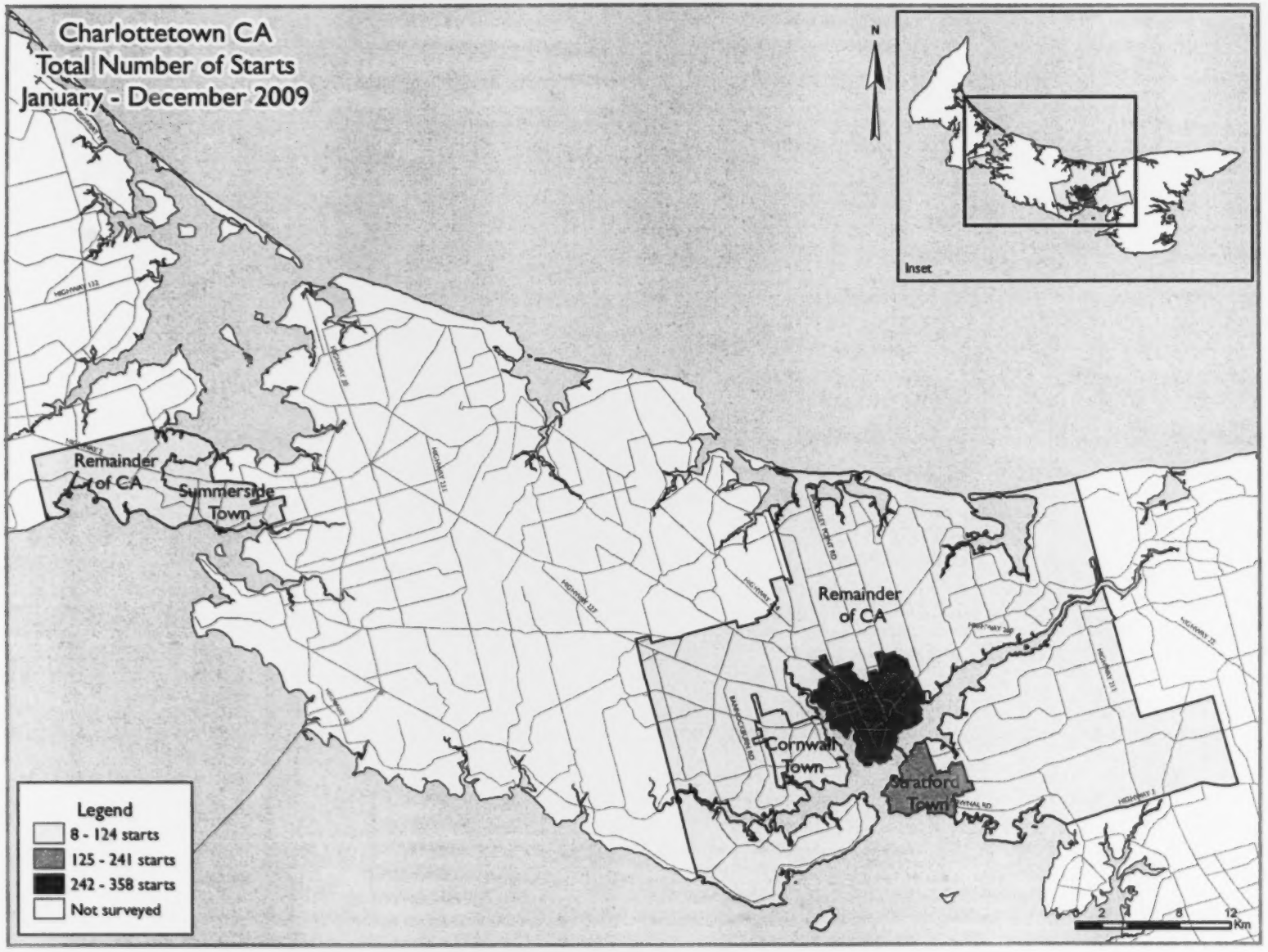
Average MLS® Sales and Price Decline in the Quarter

The resale market for the Charlottetown area during the fourth quarter of 2009 followed a similar pattern to the third quarter. MLS® sales were down to 108 units compared to 131 units in the same period of 2008. The resale market peaked in 2007 as far as the number of sales is concerned, but the market has remained relatively stable near the ten year average.

The only submarket to show an increase in MLS® sales during the quarter was District 5 (Sherwood,Parkdale) while District 4 (Charlottetown City) remained at the same level. The largest percentage decline in sales was reported in District 6 (Cornwall, North River,Winsloe). District 7 (Stratford) also had a decline in MLS® sales in the last quarter of the year, but not as significant as the Cornwall area. On an annual basis, MLS® sales were down nearly 11 per cent for the Charlottetown area as all four submarkets experienced declines for the year.

New listings declined in all four submarkets in the last quarter of 2009 as the market stabilized after setting record high listings in 2008. The same results apply to the annual new listings as the Charlottetown area recorded a decline of nearly 20 per cent. This drop in listings helped to support the average sale prices by keeping the market from being over supplied. The average time on the market in 2009 rose to 91 days from 76 the previous year.

The average MLS® sale price dropped in the fourth quarter with all submarkets being down from the same quarter in 2008 except District 4 (Charlottetown City). The overall average market price declined by approximately five per cent to $174,405. The average MLS® sale price for District 4 turned out to be higher than District 7 (Stratford) which consistently had been the highest priced market recently. For the year, average prices rose approximately 1.1 per cent over 2008 for the Charlottetown area. On an annual basis, Stratford remained the highest priced market with an average of $212,584 which also represented the largest yearly increase of slightly over four per cent.


Charlottetown CA
Total Number of Starts
January - December 2009
N
Inset
Remainder of CA
Summerside Town
Remainder of CA
Cornwall Town
Stratford Town
Legend
8 - 124 starts
125 - 241 starts
242 - 358 starts
Not surveyed
0 2 4 8 12 Km

HOUSING NOW REPORT TABLES

Available in ALL reports:

1	Housing Activity Summary of CMA
2	Starts by Submarket and by Dwelling Type – Current Month or Quarter
2.1	Starts by Submarket and by Dwelling Type – Year-to-Date
3	Completions by Submarket and by Dwelling Type – Current Month or Quarter
3.1	Completions by Submarket and by Dwelling Type – Year-to-Date
4	Absorbed Single-Detached Units by Price Range
5	MLS® Residential Activity
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1.2	History of Housing Activity (once a year)
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3.4	Completions by Submarket and by Intended Market – Current Month or Quarter
3.5	Completions by Submarket and by Intended Market – Year-to-Date
4.1	Average Price ($) of Absorbed Single-Detached Units

SYMBOLS

n/a	Not applicable
*	Totals may not add up due to co-operatives and unknown market types
**	Percent change > 200%
-	Nil
--	Amount too small to be expressed
SA	Monthly figures are adjusted to remove normal seasonal variation

Table 1a: Housing Activity Summary of Charlottetown CA
Fourth Quarter 2009

	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
STARTS									
Q4 2009	79	16	18	0	0	0	0	121	234
Q4 2008	69	6	8	0	0	0	20	30	133
% Change	14.5	166.7	125.0	n/a	n/a	n/a	-100.0	**	75.9
Year-to-date 2009	268	46	35	0	19	46	12	243	669
Year-to-date 2008	280	40	22	0	0	13	20	51	426
% Change	-4.3	15.0	59.1	n/a	n/a	**	-40.0	**	57.0
UNDER CONSTRUCTION									
Q4 2009	90	18	24	0	13	46	4	215	410
Q4 2008	72	6	8	0	0	0	20	30	136
% Change	25.0	200.0	200.0	n/a	n/a	n/a	-80.0	**	**
COMPLETIONS									
Q4 2009	103	24	0	0	11	0	8	45	191
Q4 2008	116	18	14	0	0	13	0	21	182
% Change	-11.2	33.3	-100.0	n/a	n/a	-100.0	n/a	114.3	4.9
Year-to-date 2009	245	36	3	0	22	0	8	78	392
Year-to-date 2008	305	46	14	0	0	13	0	32	410
% Change	-19.7	-21.7	-78.6	n/a	n/a	-100.0	n/a	143.8	-4.4
COMPLETED & NOT ABSORBED									
Q4 2009	4	0	0	0	0	17	0	0	21
Q4 2008	1	0	0	0	0	4	0	31	36
% Change	**	n/a	n/a	n/a	n/a	**	n/a	-100.0	-41.7
ABSORBED									
Q4 2009	114	27	0	0	14	0	0	45	200
Q4 2008	116	19	14	0	0	9	0	7	165
% Change	-1.7	42.1	-100.0	n/a	n/a	-100.0	n/a	**	21.2
Year-to-date 2009	242	36	3	0	22	4	0	89	396
Year-to-date 2008	305	46	14	0	0	15	0	28	408
% Change	-20.7	-21.7	-78.6	n/a	n/a	-73.3	n/a	**	-2.9

Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table 1b: Housing Activity Summary of Summerside CA
Fourth Quarter 2009

	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
STARTS									
Q4 2009	8	0	0	0	0	0	0	0	8
Q4 2008	7	0	4	0	0	0	3	0	14
% Change	14.3	n/a	-100.0	n/a	n/a	n/a	-100.0	n/a	-42.9
Year-to-date 2009	24	0	0	0	0	0	0	0	24
Year-to-date 2008	33	8	8	0	0	0	8	12	69
% Change	-27.3	-100.0	-100.0	n/a	n/a	n/a	-100.0	-100.0	-65.2
UNDER CONSTRUCTION									
Q4 2009	9	0	0	0	0	0	0	0	9
Q4 2008	7	0	8	0	0	0	0	0	15
% Change	28.6	n/a	-100.0	n/a	n/a	n/a	n/a	n/a	-40.0
COMPLETIONS									
Q4 2009	10	0	0	0	0	0	0	0	10
Q4 2008	14	0	0	0	0	12	3	0	29
% Change	-28.6	n/a	n/a	n/a	n/a	-100.0	-100.0	n/a	-65.5
Year-to-date 2009	23	0	8	0	0	0	0	0	31
Year-to-date 2008	36	20	12	0	0	12	8	11	99
% Change	-36.1	-100.0	-33.3	n/a	n/a	-100.0	-100.0	-100.0	-68.7
COMPLETED & NOT ABSORBED									
Q4 2009	0	0	0	0	0	0	0	0	0
Q4 2008	0	0	0	0	0	0	0	0	0
% Change	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
ABSORBED									
Q4 2009	0	0	0	0	0	0	0	0	0
Q4 2008	0	0	0	0	0	0	0	0	0
% Change	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Year-to-date 2009	0	0	0	0	0	0	0	0	0
Year-to-date 2008	0	0	0	0	0	0	0	0	0
% Change	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table 1.1: Housing Activity Summary by Submarket
Fourth Quarter 2009

	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
STARTS									
Charlottetown City									
Q4 2009	17	10	18	0	0	0	0	95	140
Q4 2008	25	2	0	0	0	0	20	0	47
Stratford Town									
Q4 2009	12	0	0	0	0	0	0	26	38
Q4 2008	12	0	4	0	0	0	0	30	46
Cornwall Town									
Q4 2009	13	2	0	0	0	0	0	0	15
Q4 2008	10	4	4	0	0	0	0	0	18
Remainder of the CA									
Q4 2009	37	4	0	0	0	0	0	0	41
Q4 2008	22	0	0	0	0	0	0	0	22
Charlottetown CA									
Q4 2009	79	16	18	0	0	0	0	121	234
Q4 2008	69	6	8	0	0	0	20	30	133
UNDER CONSTRUCTION									
Charlottetown City									
Q4 2009	21	10	18	0	0	46	4	177	276
Q4 2008	22	2	0	0	0	0	20	0	44
Stratford Town									
Q4 2009	22	2	6	0	13	0	0	26	69
Q4 2008	15	0	4	0	0	0	0	30	49
Cornwall Town									
Q4 2009	15	2	0	0	0	0	0	12	29
Q4 2008	13	4	4	0	0	0	0	0	21
Remainder of the CA									
Q4 2009	32	4	0	0	0	0	0	0	36
Q4 2008	22	0	0	0	0	0	0	0	22
Charlottetown CA									
Q4 2009	90	18	24	0	13	46	4	215	410
Q4 2008	72	6	8	0	0	0	20	30	136

Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table 1.1: Housing Activity Summary by Submarket
Fourth Quarter 2009

	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
COMPLETIONS									
Charlottetown City									
Q4 2009	29	18	0	0	6	0	8	9	70
Q4 2008	36	14	14	0	0	13	0	21	98
Stratford Town									
Q4 2009	27	0	0	0	5	0	0	36	68
Q4 2008	28	2	0	0	0	0	0	0	30
Cornwall Town									
Q4 2009	11	6	0	0	0	0	0	0	17
Q4 2008	14	0	0	0	0	0	0	0	14
Remainder of the CA									
Q4 2009	36	0	0	0	0	0	0	0	36
Q4 2008	38	2	0	0	0	0	0	0	40
Charlottetown CA									
Q4 2009	103	24	0	0	11	0	8	45	191
Q4 2008	116	18	14	0	0	13	0	21	182
COMPLETED & NOT ABSORBED									
Charlottetown City									
Q4 2009	2	0	0	0	0	17	0	0	19
Q4 2008	1	0	0	0	0	4	0	31	36
Stratford Town									
Q4 2009	0	0	0	0	0	0	0	0	0
Q4 2008	0	0	0	0	0	0	0	0	0
Cornwall Town									
Q4 2009	0	0	0	0	0	0	0	0	0
Q4 2008	0	0	0	0	0	0	0	0	0
Remainder of the CA									
Q4 2009	2	0	0	0	0	0	0	0	2
Q4 2008	0	0	0	0	0	0	0	0	0
Charlottetown CA									
Q4 2009	4	0	0	0	0	17	0	0	21
Q4 2008	1	0	0	0	0	4	0	31	36

Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table 1.1: Housing Activity Summary by Submarket
Fourth Quarter 2009

	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
ABSORBED									
Charlottetown City									
Q4 2009	32	19	0	0	6	0	0	9	66
Q4 2008	36	14	14	0	0	9	0	7	80
Stratford Town									
Q4 2009	31	0	0	0	8	0	0	36	75
Q4 2008	28	2	0	0	0	0	0	0	30
Cornwall Town									
Q4 2009	15	8	0	0	0	0	0	0	23
Q4 2008	14	1	0	0	0	0	0	0	15
Remainder of the CA									
Q4 2009	36	0	0	0	0	0	0	0	36
Q4 2008	38	2	0	0	0	0	0	0	40
Charlottetown CA									
Q4 2009	114	27	0	0	14	0	0	45	200
Q4 2008	116	19	14	0	0	9	0	7	165

Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table 1.2: History of Housing Starts of Charlottetown CA 2000 - 2009

	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
2009	268	46	35	0	19	46	12	243	669
% Change	-4.3	15.0	59.1	n/a	n/a	**	-40.0	**	57.0
2008	280	40	22	0	0	13	20	51	426
% Change	-5.1	-37.5	n/a	n/a	n/a	8.3	n/a	121.7	8.1
2007	295	64	0	0	0	12	0	23	394
% Change	6.9	45.5	n/a	n/a	n/a	-50.0	-100.0	-80.7	-15.6
2006	276	44	0	0	0	24	4	119	467
% Change	-8.3	-50.6	-100.0	n/a	-100.0	n/a	-75.0	**	4.2
2005	301	89	6	0	3	0	16	33	448
% Change	-9.1	64.8	-71.4	n/a	n/a	n/a	-65.2	-13.2	-8.6
2004	331	54	21	0	0	0	46	38	490
% Change	6.8	-3.6	**	n/a	n/a	n/a	35.3	-50.6	1.4
2003	310	56	6	0	0	0	34	77	483
% Change	11.9	115.4	n/a	n/a	n/a	n/a	-59.0	4.1	4.8
2002	277	26	0	0	0	0	83	74	461
% Change	16.9	8.3	n/a	n/a	n/a	n/a	**	**	57.3
2001	237	24	0	0	0	0	16	16	293
% Change	-9.9	**	n/a	n/a	n/a	n/a	-46.7	-11.1	-7.9
2000	263	6	0	0	0	0	30	18	318

Source: CMHC (Starts and Completions Survey)

Table 2: Starts by Submarket and by Dwelling Type Fourth Quarter 2009											
Submarket	Single		Semi		Row		Apt. & Other		Total		
	Q4 2009	Q4 2008	Q4 2009	Q4 2008	Q4 2009	Q4 2008	Q4 2009	Q4 2008	Q4 2009	Q4 2008	% Change
Charlottetown City	17	25	10	2	0	20	113	0	140	47	197.9
Stratford Town	12	12	0	0	0	4	26	30	38	46	-17.4
Cornwall Town	13	10	2	4	0	4	0	0	15	18	-16.7
Remainder of the CA	37	22	4	0	0	0	0	0	41	22	86.4
Charlottetown CA	79	69	16	6	0	28	139	30	234	133	75.9

Table 2.1: Starts by Submarket and by Dwelling Type January - December 2009											
Submarket	Single		Semi		Row		Apt. & Other		Total		
	YTD 2009	YTD 2008	YTD 2009	YTD 2008	YTD 2009	YTD 2008	YTD 2009	YTD 2008	YTD 2009	YTD 2008	% Change
Charlottetown City	77	100	30	26	18	32	233	36	358	194	84.5
Stratford Town	70	69	0	4	27	4	62	30	159	107	48.6
Cornwall Town	36	36	10	8	3	4	12	0	61	48	27.1
Remainder of the CA	85	75	6	2	0	0	0	0	91	77	18.2
Charlottetown CA	268	280	46	40	48	40	307	66	669	426	57.0

Source: CMHC (Starts and Completions Survey)

Table 3: Completions by Submarket and by Dwelling Type Fourth Quarter 2009											
Submarket	Single		Semi		Row		Apt. & Other		Total		
	Q4 2009	Q4 2008	Q4 2009	Q4 2008	Q4 2009	Q4 2008	Q4 2009	Q4 2008	Q4 2009	Q4 2008	% Change
Charlottetown City	29	36	18	14	14	12	9	36	70	98	-28.6
Stratford Town	27	28	0	2	5	0	36	0	68	30	126.7
Cornwall Town	11	14	6	0	0	0	0	0	17	14	21.4
Remainder of the CA	36	38	0	2	0	0	0	0	36	40	-10.0
Charlottetown CA	103	116	24	18	19	12	45	36	191	182	4.9

Table 3.1: Completions by Submarket and by Dwelling Type January - December 2009											
Submarket	Single		Semi		Row		Apt. & Other		Total		
	YTD 2009	YTD 2008	YTD 2009	YTD 2008	YTD 2009	YTD 2008	YTD 2009	YTD 2008	YTD 2009	YTD 2008	% Change
Charlottetown City	77	96	22	34	14	12	12	47	125	189	-33.9
Stratford Town	62	90	0	4	12	0	66	0	140	94	48.9
Cornwall Town	32	32	12	6	7	0	0	0	51	38	34.2
Remainder of the CA	74	87	2	2	0	0	0	0	76	89	-14.6
Charlottetown CA	245	305	36	46	33	12	78	47	392	410	-4.4

Source: CMHC (Starts and Completions Survey)

Table 4: Absorbed Single-Detached Units by Price Range
Fourth Quarter 2009

Submarket	Price Ranges										Total	Median Price ($)	Average Price ($)
	< $100,000		$100,000 - $149,999		$150,000 - $199,999		$200,000 - $249,999		$250,000 +				
	Units	Share (%)	Units	Share (%)	Units	Share (%)	Units	Share (%)	Units	Share (%)			
Charlottetown City													
Q4 2009	1	3.1	1	3.1	16	50.0	6	18.8	8	25.0	32	190,000	254,766
Q4 2008	0	0.0	5	13.9	13	36.1	13	36.1	5	13.9	36	192,500	201,611
Year-to-date 2009	1	1.3	4	5.3	35	46.1	16	21.1	20	26.3	76	192,500	237,053
Year-to-date 2008	0	0.0	16	16.7	38	39.6	24	25.0	18	18.8	96	187,500	203,892
Stratford Town													
Q4 2009	0	0.0	0	0.0	2	6.5	9	29.0	20	64.5	31	275,000	277,839
Q4 2008	0	0.0	3	10.7	5	17.9	11	39.3	9	32.1	28	237,500	226,607
Year-to-date 2009	0	0.0	1	1.6	5	8.1	18	29.0	38	61.3	62	275,000	288,274
Year-to-date 2008	0	0.0	5	5.6	23	25.6	34	37.8	28	31.1	90	220,000	229,200
Cornwall Town													
Q4 2009	0	0.0	1	6.7	3	20.0	6	40.0	5	33.3	15	225,000	229,000
Q4 2008	0	0.0	3	21.4	4	28.6	5	35.7	2	14.3	14	192,500	195,714
Year-to-date 2009	0	0.0	1	3.1	8	25.0	14	43.8	9	28.1	32	210,000	266,406
Year-to-date 2008	0	0.0	6	18.8	10	31.3	9	28.1	7	21.9	32	197,500	205,156
Remainder of the CA													
Q4 2009	1	2.8	6	16.7	11	30.6	8	22.2	10	27.8	36	192,500	212,583
Q4 2008	0	0.0	9	23.7	11	28.9	8	21.1	10	26.3	38	187,500	202,763
Year-to-date 2009	2	2.8	19	26.4	19	26.4	16	22.2	16	22.2	72	185,000	198,792
Year-to-date 2008	2	2.3	21	24.1	31	35.6	18	20.7	15	17.2	87	175,000	189,407
Charlottetown CA													
Q4 2009	2	1.8	8	7.0	32	28.1	29	25.4	43	37.7	114	215,000	244,329
Q4 2008	0	0.0	20	17.2	33	28.4	37	31.9	26	22.4	116	200,000	207,310
Year-to-date 2009	3	1.2	25	10.3	67	27.7	64	26.4	83	34.3	242	210,000	242,674
Year-to-date 2008	2	0.7	48	15.7	102	33.4	85	27.9	68	22.3	305	200,000	207,361

Source: CMHC (Market Absorption Survey)

Table 5: MLS® Residential Activity in Urban Centres*

Submarket	Fourth Quarter 2009			Fourth Quarter 2008			% Change		
	Sales	Average Sale Price ($)	New Listings	Sales	Average Sale Price ($)	New Listings	Sales	Average Sale Price ($)	New Listings
Charlottetown CA**	108	174,405	131	113	183,931	158	-4.4%	-5.2%	-17.1%
District 4	45	200,738	47	45	189,462	54	0.0%	6.0%	-13.0%
District 5	21	131,755	32	14	163,382	36	50.0%	-19.4%	-11.1%
District 6	18	135,617	23	25	154,185	24	-28.0%	-12.0%	-4.2%
District 7	24	191,448	29	29	210,916	44	-17.2%	-9.2%	-34.1%
Summerside CA	48	135,379	43	47	129,958	56	2.1%	4.2%	-23.2%
Total	157	163,172	174	160	168,075	432	-1.9%	-2.9%	-59.7%

Submarket	Year-to-date 2009			Year-to-date 2008			% Change		
	Sales	Average Sale Price ($)	New Listings	Sales	Average Sale Price ($)	New Listings	Sales	Average Sale Price ($)	New Listings
Charlottetown CA**	531	177,237	787	595	175,231	975	-10.8%	1.1%	-19.3%
District 4	208	189,614	279	248	188,131	386	-16.1%	0.8%	-27.7%
District 5	107	141,915	159	115	142,194	198	-7.0%	-0.2%	-19.7%
District 6	87	138,680	131	101	143,849	152	-13.9%	-3.6%	-13.8%
District 7	129	212,584	218	131	204,008	239	-1.5%	4.2%	-8.8%
Summerside CA	200	131,835	320	205	122,428	375	-2.4%	7.7%	-14.7%
Total	732	164,978	1107	800	161,700	1350	-8.5%	2.0%	-18.0%

MLS® is a registered trademark of the Canadian Real Estate Association (CREA).
**District 4: Charlottetown City, Spring Park & West Royalty
**District 5: Sherwood, Parkdale, East Royalty & Hillsborough Parks
**District 6: Cornwall, North River & Winsloe
**District 7: Bunbury, Southport, Crossroads, Keppoch, Kinlock, Tea Hill, Alexandra to Cherry Valley

Source: PEI Real Estate Association

Table 6: Economic Indicators
Fourth Quarter 2009

		Interest Rates			NHPI, Total, Charlottetown CMA 1997=100	CPI, 1992 =100	Prince Edward Island Labour Market			
		P & I Per $100,000	Mortage Rates (%)				Employment SA (,000)	Unemployment Rate (%) SA	Participation Rate (%) SA	Average Weekly Earnings ($) (P.E.I.)
			1 Yr. Term	5 Yr. Term						
2008	January	725	7.35	7.39	120.6	113.8	70.3	10.6	69.1	
	February	718	7.25	7.29	120.6	114.2	70.6	9.9	68.8	614
	March	712	7.15	7.19	119.3	115.3	71.0	10.5	69.7	613
	April	700	6.95	6.99	119.4	116.2	70.5	11.2	69.6	621
	May	679	6.15	6.65	119.4	118.3	70.8	9.6	68.7	629
	June	710	6.95	7.15	119.7	118.8	70.7	10.5	69.1	637
	July	710	6.95	7.15	119.7	119.2	69.7	10.6	68.2	639
	August	691	6.65	6.85	119.2	118.6	70.3	10.4	68.4	638
	September	691	6.65	6.85	119.2	119.6	70.4	11.3	68.9	632
	October	713	6.35	7.20	119.4	118.2	69.7	11.6	68.3	631
	November	713	6.35	7.20	119.4	116.6	69.5	10.8	67.5	635
	December	685	5.60	6.75	119.4	114.5	69.2	11.7	68.1	643
2009	January	627	5.00	5.79	119.6	114.0	68	11.9	67.2	655
	February	627	5.00	5.79	121.0	115.6	68.6	12.3	67.8	664
	March	613	4.50	5.55	120.5	115.5	68.7	11.5	67.2	671
	April	596	3.90	5.25	120.5	116.3	68.6	12.4	67.7	672
	May	596	3.90	5.25	121.0	117.4	68.7	13.1	68.3	669
	June	631	3.75	5.85	121.0	118.2	69.3	12.2	68.0	659
	July	631	3.75	5.85	121.0	118.2	69.2	12.3	67.9	647
	August	631	3.75	5.85	121.2	118.0	68.5	13.7	68.2	638
	September	610	3.70	5.49	121.2	118.3	69.6	11.8	67.8	638
	October	630	3.80	5.84	120.4	117.4	70.6	12.0	68.9	640
	November	616	3.60	5.59	120.4	118.8	71.0	11.7	69.1	639
	December	610	3.60	5.49		117.8	71.1	10.7	68.4	643

"P & I" means Principal and Interest (assumes $100,000 mortgage amortized over 25 years using current 5 year interest rate)
"NHPI" means New Housing Price Index
"CPI" means Consumer Price Index
"SA" means Seasonally Adjusted

Source: CMHC, adapted from Statistics Canada (CANSIM), Statistics Canada (CANSIM)

METHODOLOGY

Starts & Completions Survey Methodology

The Starts and Completions Survey is conducted by way of site visits which are used to confirm that new units have reached set stages in the construction process. Since most municipalities in the country issue building permits, these are used as an indication of where construction is likely to take place. In areas where there are no permits, reliance has to be placed either on local sources or searching procedures.

The Starts and Completions Survey is carried out monthly in urban areas with population in excess of 50,000, as defined by the 2006 Census. In urban areas with populations of 10,000 to 49,999, all Starts are enumerated in the last month of the quarter (i.e. four times a year, in March, June, September and December). In these centres with quarterly enumeration, Completion activity is modelled based on historical patterns. Monthly Starts and Completions activity in these quarterly locations are statistically estimated at a provincial level for single and multi categories. Centres with populations below 10,000 are enumerated on a sample basis, also in the last month of each quarter (i.e. four times a year, in March, June, September and December).

The Starts and Completions Survey enumerates dwelling units in new structures only, designed for non-transient and year-round occupancy.

Mobile homes are included in the surveys. A mobile home is a type of manufactured house that is completely assembled in a factory and then moved to a foundation before it is occupied.

Trailers or any other movable dwelling (the larger often referred to as a mobile home) with no permanent foundation are excluded from the survey.

Conversions and/or alterations within an existing structure are excluded from the surveys as are seasonal dwellings, such as: summer cottages, hunting and ski cabins, trailers and boat houses; and hostel accommodations, such as: hospitals, nursing homes, penal institutions, convents, monasteries, military and industrial camps, and collective types of accommodation such as: hotels, clubs, and lodging homes.

Market Absorption Survey Methodology

The Market Absorption Survey is carried out in conjunction with the Starts and Completions Survey in urban areas with populations in excess of 50,000. When a structure is recorded as completed, an update is also made as units are sold or rented. The dwellings are then enumerated each month until such time as full absorption occurs.

STARTS AND COMPLETIONS SURVEY AND MARKET ABSORPTION SURVEY DEFINITIONS

A "**dwelling unit**", for purposes of the Starts and Completions Survey, is defined as a structurally separate set of self-contained living premises with a private entrance from outside the building or from a common hall, lobby, or stairway inside the building. Such an entrance must be one that can be used without passing through another separate dwelling unit.

A "**start**", for purposes of the Starts and Completions Survey, is defined as the beginning of construction work on a building, usually when the concrete has been poured for the whole of the footing around the structure, or an equivalent stage where a basement will not be part of the structure.

The number of units "**under construction**" as at the end of the period shown, takes into account certain adjustments which are necessary for various reasons. For example, after a start on a dwelling has commenced construction may cease, or a structure, when completed, may contain more or fewer dwelling units than were reported at start.

A "**completion**", for purposes of the Starts and Completions Survey, is defined as the stage at which all the proposed construction work on a dwelling unit has been performed, although under some circumstances a dwelling may be counted as completed where up to 10 per cent of the proposed work remains to be done.

The term "**absorbed**" means that a housing unit is no longer on the market (i.e. has been sold or rented). This usually happens when a binding contract is secured by a non-refundable deposit and has been signed by a qualified purchaser. The purpose of the Market Absorption Survey is to measure the rate at which units are sold or rented after they are completed, as well as collect prices.

DWELLING TYPES:

A "**Single-Detached**" dwelling (also referred to as "**Single**") is a building containing only one dwelling unit, which is completely separated on all sides from any other dwelling or structure. Includes link homes, where two units may share a common basement wall but are separated above grade. Also includes cluster-single developments.

A "**Semi-Detached (Double)**" dwelling (also referred to as "**Semi**") is one of two dwellings located side-by-side in a building, adjoining no other structure and separated by a common or party wall extending from ground to roof.

A "**Row (Townhouse)**" dwelling is a one family dwelling unit in a row of three or more attached dwellings separated by a common or party wall extending from ground to roof.

The term "**Apartment and other**" includes all dwellings other than those described above, including structures commonly known as stacked townhouses, duplexes, triplexes, double duplexes and row duplexes.

INTENDED MARKET:

The "**intended market**" is the tenure in which the unit is being marketed. This includes the following categories:

Freehold: A residence where the owner owns the dwelling and lot outright.

Condominium (including Strata-Titled): An individual dwelling which is privately owned, but where the building and/or the land are collectively owned by all dwelling unit owners. A condominium is a form of ownership rather than a type of house.

Rental: Dwelling constructed for rental purposes regardless of who finances the structure.

GEOGRAPHICAL TERMS:

A census metropolitan area (CMA) or a census agglomeration (CA) is formed by one or more adjacent municipalities centred on a large urban area (known as the urban core). The census population count of the urban core is at least 10,000 to form a census agglomeration and at least 100,000 to form a census metropolitan area. To be included in the CMA or CA, other adjacent municipalities must have a high degree on integration with the central urban area, as measured by commuting flows derived from census place of work data. CMAs and CAs contain whole municipalities or Census Subdivisions.

A "**Rural**" area, for the purposes of this publication, is a centre with a population less than 10,000.

All data presented in this publication is based on Statistics Canada's 2006 Census area definitions, except the Economic Indicators data (Table 6) which is based on Statistics Canada's 2001 Census area definitions.

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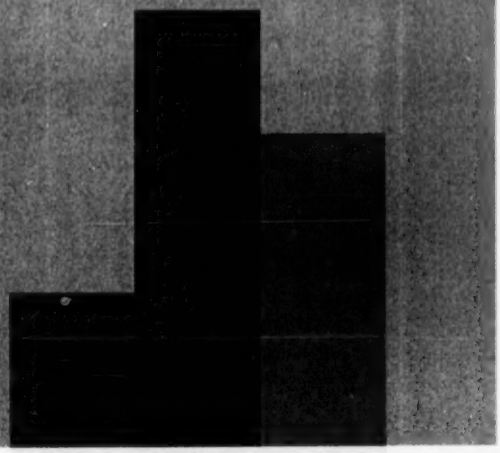

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